



Feed the Future Ethiopia Farm Service Center Project
Associate Cooperative Agreement No AID-663-LA-15-00001



Second Quarterly Report

(April 1 – June 30, 2015)

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Second Quarterly Report

(April 1- June 30, 2015)

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Acronyms

AGP-LMD	Agricultural Growth Program-Livestock Market Development
AOR	Agreement Officer Representative
ATA	Agricultural Transformation Agency
BMT	Business Management Training
CBO	Cooperative Bank of Oromia
ChSA	Charities and Societies Agency
CFSC-SUSP	Commercial Farm Service Center- Scale Up Support Program
CFSP	Commercial Farmer Service Program
COP	Chief of Party
COR	Contracting Officer Representative
DCA	Development Credit Authority
DCOP	Deputy Chief of Party
EGAA	EGAA Agricultural Input Suppliers PLC
EMMP	Environmental Mitigation and Monitoring Plan
F2F	Farmer to Farmer Program
FARA	Fixed Amount Reimbursable Agreement
FSC	Farm Service Center
GOE	Government of Ethiopia
IL	Implementation Letter
ILRI	International Livestock Research Institute
IR	Intermediate Result
LOP	Life of Project
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture
PERSUAP	Pesticide Evaluation Report and Safe User Actions Plan
PITT	Performance Indicators Tracking Table
PMIS	Performance Management Information Systems
PMP	Performance Management Plan
PRIME	Pastoralists' Areas Resilience Improvement through Market Expansion
RFQ	Request for Quotation
SMEs	Small and Medium Enterprises
SNNPR	Southern National Nationalities Peoples Region
SNV	Netherlands Development Cooperation
TA	Technical Assistance
USAID	United States Agency for International Development

Executive Summary

The Feed the Future Ethiopia Farm Service Center Project is tasked with providing technical support to the Agricultural Transformation Agency (ATA) to enable it to establish 20 Farm Service Centers (FSCs) throughout the Oromia, SNNPR, Tigray, and Amhara regions in Ethiopia. The primary goals of the Feed the Future Ethiopia Farm Service Center Project is to improve the availability of high quality branded agricultural inputs, improved technology, and market information networks in order to boost the agricultural productivity of more than 160,000 smallholder farmers.

During the current reporting period emphasis was given to finalizing project start-up activities including office preparation and staffing of project personnel. The Feed the Future Ethiopia Farm Service Center Project also supported ATA in developing and refining its Fixed Amount Reimbursable Agreement II (FARA II), between ATA and USAID, which was executed in June 2015. The project also worked diligently in forging relationships with various implementing partners and key industry stakeholders. The project revised and re-submitted its key deliverables including the annual Work Plan, Performance Management Plan (PMP), Branding and Marking Plan, and a request for Categorical Exclusion for the Initial Environmental Examination or Environmental Review—all of which received USAID approval.

The Feed the Future Ethiopia Farm Service Center Project held series of discussions with the ATA management team and reached favorable agreements with regard to ATA's staffing plan, office space arrangement, logistics and equipment procurement for smooth implementation of the project. Moreover, the Feed the Future Ethiopia Farm Service Center Project has provided formal presentations to ATA regional cluster leads about the previous Commercial Farm Service Program (CFSP) implementation protocols, results achieved, and lessons learned. Overall, the presentations have increased their understanding of the new model and also garnered their support in the implementation of the current project across the four regions of Ethiopia.

The Feed the Future Ethiopia Farm Service Center Project worked with CNFA HQ support staff in reviewing *resumes* and developing Scopes of Work for the recruitment of Farmer-to-Farmer Volunteer Technical Assistance.

During this reporting period, the Feed the Future Ethiopia Farm Service Center Project advertised and completed identification of pre-qualified vendors for the procurement of goods and services for efficient project implementation.

The Feed the Future Ethiopia Farm Service Center Project supported EGAA Agricultural Inputs Suppliers Plc. with accessing hard currency from Oromia Cooperative Bank in order to import agrochemical supplies from Syngenta, Switzerland, worth \$255,000 to meet the inventory needs of the existing FSCs. The shipment is expected to arrive at EGAA's store by the end of July 2015. The Project assisted EGAA in developing both Financial and Human Resource Manuals to help run financial and human resources administration effectively. The Feed the Future Ethiopia Farm Service Center Project staff also held a series of bi-weekly check-in meetings with EGAA's management and technical teams to evaluate business operations, improving stakeholder relationships, and the identification of additional capacity building needs. Moreover, the Feed the Future Ethiopia Farm Service Center Project staff provided sustained assistance to EGAA in developing strategies to establish partnerships with various implementers for financial support as well as sourcing the required agrochemicals. The project also supported EGAA in soliciting up to \$200K from ATA over a three year period to help it ensure sustained services to the existing and newly formed FSCs. The Project also invested significant time in assisting EGAA to secure licenses for agrochemicals in order to locally source and distribute the products to FSCs. As a result, EGAA purchased 22,000 Liters of Agro 2-4D from DAWNT PLC, valued at approximately \$105,000 and distributed to the existing FSCs. The Project also facilitated conditions for EGAA to participate in various exhibitions and workshops with the goal of increasing the visibility of EGAA.

Program Overview

Through the USAID-funded Commercial Farm Service Program (CFSP), CNFA implemented a two year pilot project which resulted in the founding of six retail Farm Service Center (FSCs) as well as an apex wholesale organization, the EGAA Agricultural Input Suppliers PLC (EGAA). This input supply network generated over \$3.2 million in sales of seeds, feed, small-scale farm tools, veterinary drugs, and plant protection products in about one year of operation, and to date has reached over 29,200 smallholder farmers who adopted new technologies and over 3,000 smallholder farmers through trainings and demonstrations.

Building on this successful model, the three-year Feed the Future Ethiopia Farm Service Center Project provides technical assistance to Ethiopia's Agricultural Transformation Agency (ATA) in rolling out the FSC model under a Fixed Amount Reimbursement Agreement (FARA) between ATA and USAID. The Project supports the USAID Forward initiative by strengthening partner country capacity to improve aid effectiveness and sustainability, while also contributing to USAID/Feed the Future and the Government of Ethiopia (GOE) priority areas by increasing smallholder farmer productivity through improved access to inputs as well as agronomic and veterinary services.

The Feed the Future Ethiopia Farm Service Center Project supports ATA in establishing FSCs in regional trading hubs/commercialization clusters. The geographic scope of the anticipated ATA FSC building activity includes the regions of Oromia (scaling up), Amhara, Southern Nations and Nationalities Peoples Region (SNNPR), and Tigray (expansion). This expansion plan covers four out of the five regions included in the USAID/Feed the Future Zone of Influence. CNFA is working with ATA to adapt the current FSC model, which combines matching grant methodologies, targeted technical assistance, and capacity building. The Project supports ATA in the continued development and strengthening of EGAA. The Project also supports ATA to comprehensively monitor and evaluate the outputs of the phase II roll out/scale up program.

The overarching goal of the Feed the Future Ethiopia Farm Service Center Project is to improve the availability and use of safe, high-quality agricultural inputs by smallholder farmers in the four regions of Ethiopia. Improved availability of agricultural inputs is vital to increasing smallholder farmers' productivity, incomes, and food security.

Program interventions designed to achieve these objectives include the following Intermediate Results (IRs):

IR 1: Improved Capacity of ATA to Establish 20 new FSCs

IR 2: Increased Competitiveness of EGAA Agricultural Input Suppliers PLC

IR 3: Improved ATA Monitoring, Evaluation and Learning

IR1 interventions focus on establishing 20 new FSCs to serve more than 160,000 smallholder farmers' access to quality agricultural inputs, and new technological innovations (that will be demonstrated on plots). The distinguishing feature of the new FSCs is the provision of business development services with built in knowledge innovations and dissemination to smallholders. IR1 interventions are anticipated to create more than 160 off-farm jobs.

IR2 interventions consist of strengthening EGAA Agricultural Input Suppliers PLC to ensure continuous availability of quality and reasonably priced inventories at FSCs and the establishment of a business development service (BDS) provider network. The purpose of the BDS network is to ensure consistent

availability of services in the market since EGAA may not be able to answer all service demands of the FSCs.

IR3 interventions involve the monitoring and evaluation of IR1 and IR2 activities, and subsequently reporting on knowledge learned to disseminate to stakeholders. The development hypothesis will be tested through evidence based approaches. IR3 activities largely track the impact of FSCs on smallholder incomes.

Start up and Mobilization

The second quarter of implementation (April 1 - June 30, 2015) was characterized by the provision of continuous support to ATA in executing the Fixed Amount Reimbursable Agreement II (FARA II) with USAID Ethiopia, foundational planning for the recruitment and deployment of Farmer-to-Farmer Volunteer Consultants, building relationships with partners, recruitment of technical staff, and facilitation of CNFA's registration in Ethiopia as a non-profit organization with the Charities and Societies Agency (ChSA) of Ethiopia.

Fixed Amount Reimbursable Agreement: Feed the Future Ethiopia Farm Service Center Project has been continually supportive in the development and refinement of FARA II milestones, deliverables verification indicators, and budgeting. On June 14, 2015, USAID and ATA executed the USD 9MM FARA II for eight major program activities with a USD 4MM budget component to implement the Feed the Future Farm Service Center Project. The purpose of this funding is for ATA to scale-up the development of FSCs under the technical guidance of CNFA.

ATA Staffing and Office Space: Another key development of this reporting quarter is the Feed the Future Ethiopia Farm Service Center Project team discussions with ATA regarding staffing plans, office space arrangements, and logistics and equipment procurement. To facilitate effective project implementation and smooth project management coordination, ATA staff working on the Feed the Future Ethiopia Farm Service Center Project will be based in the same office building as CNFA. CNFA will provide TA for staffing and recruitment of ATA's staff assigned to the Feed the Future Ethiopia Farm Service Center Project. TA in this regard includes the development of job descriptions for ATA staff to be based throughout the four regions of Ethiopia, in addition to Addis Ababa. A key result of this effort is job advertising for the recruitment of a Project Team Leader. In the next quarter, CNFA will provide TA for the recruitment of key technical positions under the leadership of ATA's Project Team Leader.

ATA Logistic and Equipment Facilities: CNFA in collaboration with ATA's Partnerships and Logistics Manager conducted a logistics and equipment needs assessments for ATA's Addis Ababa and regional based staff working on the Feed the Future Ethiopia Farm Service Center Project. This will ensure that ATA will have sufficient procurement lead time to ensure newly hired staffs immediately embark on project implementation. Based on CNFA's CFSP experience CNFA provided ATA with a suggested list of logistics and equipment required for ATA staff.

ATA Regional Leaders Capacity Building: The Feed the Future Ethiopia Farm Service Center Project Chief of Party and Deputy Chief of Party delivered a PowerPoint presentation to ATA's Regional Leaders and Secretaries about the Farm Service Center (FSC) business model. The purpose of this presentation was to improve understanding of the FSC business model, and share key lessons learned from the CFSP while fostering regional partnerships and long-term engagement plans with ATA leaders.

Farmer-to-Farmer Volunteer Recruitment: Another intensive work-effort during the review quarter was the preparation and recruitment of Farmer-to-Farmer Volunteer Technical Assistance. During this reporting quarter, the Feed the Future Ethiopia Farm Service Center Project largely focused on logistics preparation, development of host company profiles, drafting of Scopes of Work, and the identification and recruitment of qualified volunteers. This intensive foundational work will result in the deployment of 13 different volunteer assignments in areas such as financial analysis, monitoring and evaluation, FSC

business development, business negotiation, communications and outreach, agronomy and veterinary support. The first two Farmer-to-Farmer volunteers will travel to Ethiopia in late July and early August to provide their expert assistance in communications and outreach.

Program Deliverables to USAID:

This quarter exhibited significant progress in USAID approval for key contractual deliverables that the Feed the Future Ethiopia Farm Service Center Project submitted in the previous quarter. USAID approved the following deliverables during this quarter.

- PY1 Work Plan;
- Performance Management Plan (PMP);
- Branding and Marking Plan;
- Request for Environmental Categorical Exclusion.

On June 18, 2015, under Cooperative Agreement Modification #2, USAID officially changed the name of the project from “Commercial Farm Service Center- Scale Up Support Program” to “Feed the Future Ethiopia Farm Service Center Project.” In this Modification USAID also approved CNFA’s request to scale down the number of FSCs stipulated in the Cooperative Agreement from 44 to 20 for budgetary reasons.

Staffing:

During this review quarter, CNFA engaged in recruitment for all technical positions. Two pending positions, the Monitoring and Evaluation Advisor and Environmental Compliance Advisor positions were filled. Moreover, two administrative positions: the Receptionist/Secretary and Driver positions were filled.

Staffing Summary

Designation/Position	Name	Start Date	Remarks
Chief of Party*	Dr. Waktola Wakgari	January 1, 2015	
Deputy Chief of Party*	Nega Berecha	January 1, 2015	
Business Management Specialist	Tesfaye Dinssa	January 26, 2015	
Agronomy and Inputs specialist	Hailu Gudeta	January 26, 2015	
Finance Officer	Asfaw Mesfin	January 27, 2015	
Driver and Facility Clerk	Mesfin Yembo	January 12, 2015	Resigned on April 1, 2015
Maid and Office Cleaner	Abebech Walelegne	February 2, 2015	
Marketing, Branding, and Communications Advisor	Lydia Assefa	February 9, 2015	
Receptionist/Secretary	Gelila Yeshanew	April 4, 2015	
Monitoring and Evaluation Advisor	Rahel Alemu	June 8, 2015	
Driver and Facility Clerk	Samuel Tulu	June 8, 2015	
Environmental Compliance	Bedilu Amare	June 16, 2015	

Designation/Position	Name	Start Date	Remarks
Driver and Facility Clerk	TBD	Next Quarter	Identified
Driver and Facility Clerk	TBD	Next Quarter	Identified.
Administration Officer	TBD	Next Quarter	Identified
* = Key Personnel			

Asset Procurement:

In this quarter, the Feed the Future Ethiopia Farm Service Center Project completed identification of pre-qualified vendors to ensure the availability of vendors for procurements of frequently used services and goods for efficient program implementation. These vendors cover areas such as office supplies, IT support and troubleshooting, communications, airline tickets, photography and video, fuel and vehicle maintenance, graphic design services, and mobile phone cards suppliers.

Office Lease:

In this quarter, the Feed the Future Ethiopia Farm Service Center Project completed a 32 M² expansion of office space in preparation for new staff, in its office building located along Bole Road, Sintayehu Belay Building. In addition to the 151 M² of existing space on the 4th floor of the building, the space on the 8th floor is allocated to serve as a group meeting space and conference room. Major office preparation works completed include the installation of partitions and internet facilities. The office space of the Feed the Future Ethiopia Farm Service Center Project is currently running smoothly.

Major Activity Implementation Plan for the Next Quarter

- Complete CNFA's staffing for Administration, Drivers, and Facilities Clerks positions;
- Support ATA in recruitment efforts of regional and Addis Ababa based staff;
- Finalize CNFA's office expansion plan;
- Support ATA in securing adjacent office space in CNFA's current office building; and

PROGRAM IMPLEMENTATION

IR 1: IMPROVED CAPACITY OF ATA TO ESTABLISH UP TO 20 FARM SERVICE CENTERS

IR 1.2 INCREASED CAPACITY OF ATA TO CASCADE CAPACITY TO FSCS

1.2.1: CONDUCT FSC BUSINESS FINANCIAL PROFITABILITY ANALYSIS

The Feed the Future Ethiopia Farm Service Center Project conducted preliminary financial assessments of the six FSCs established under CFSP to ensure availability of financial data before a Financial Analyst Volunteer Consultant arrives in Ethiopia in September 2015. The purpose of financial data aggregation is to create a financial analysis simulation model under various parameters to assist systematic grant assessments. Using this simulation model, potential grantees will be evaluated to assess their financial viability.

1.2.4: BUSINESS MANAGEMENT TRAININGS FOR FSC EMPLOYEES

During Q2, the Feed the Future Ethiopia Farm Service Center Project has continued to upgrade the existing Business Management Training (BMT) modules through the adoption of relevant additional topics.

The Feed the Future Ethiopia Farm Service Center Project will deploy a Farmer-to-Farmer Business Management Volunteer Consultant during the next quarter to further refine the BMT modules by incorporating topics missing or relevant to improve the operational business capacities of FSCs managers.

1.2.5: TECHNICAL SUPPORT TO FSC AGRONOMISTS AND VETERINARIANS

During Q2, the Feed the Future Ethiopia Farm Service Center Project reviewed reference materials from various sources including publications from regional agricultural research institutions, the Ethiopian Agricultural Research Institute, Universities and the Ethiopian Agricultural Resources Portal. The goal of these reviews has been to update modules utilized during CFSP for the purpose of providing various trainings and for farm demonstrations under the Feed the Future Ethiopia Farm Service Center Project activities. These modules include Integrated Pest Management (IPM), Basic Pesticide Application Techniques, Improved Crop Production Techniques, and Improved Livestock Husbandry Techniques.

The Feed the Future Ethiopia Farm Service Center Project will deploy both a Farmer-to-Farmer Agronomist and Farmer-to-Farmer Veterinarian during the next quarter to further refine the modules. This will build the technical capacity of ATA regional and Addis Ababa staff, EGAA staff, and the agronomists, veterinarians, and managers of the newly established FSCs.

1.1.3: CONDUCT PROJECT LAUNCH WORKSHOP

The Feed the Future Ethiopia Farm Service Center Project will host a one day project launch workshop in September 2015. The main goal of the project launch is to promote the FSC business model and its impact on smallholders' productivity for high-level stakeholders. The Feed the Future Ethiopia Farm Service Center Project will assist ATA to conduct an effective and well-organized project launch workshop. With this in mind, both ATA and CNFA have developed a joint task force comprised of CNFA's Communication and Marketing Advisor and ATA's Communications team to best organize all activities leading to a successful project launch. The task force agreed to meet on weekly basis for the entire period leading to the launch to track preparations, progresses and responsibilities, and also to troubleshoot problems.

1.3.3 PUBLIC OUTREACH CAMPAIGN

To assist program outreach campaign efforts of ATA, the Feed the Future Ethiopia Farm Service Center Project is developing an outreach campaign toolkit. This toolkit comprises information about steps the Commercial Farm Service Program pursued during its outreach campaigns. This toolkit will thus assist ATA in its efforts to galvanize assistance from various stakeholders to conduct an effective campaign to garner high application volume from potential local entrepreneurs wanting to apply for ATA/USAID grants. This toolkit will be finalized in the coming quarter.

In addition, the Feed the Future Ethiopia Farm Service Center Project will deploy a Farmer-to-Farmer Communications Video Volunteer Consultant to develop a high impact video clip to complement ATA's public outreach campaigns through local TV transmissions in order to reach a large number of potential entrepreneurs.

Major Activity Implementation Plan for the Next Quarter

- Conduct project launch workshop;

- Develop project communications strategy;
- Develop a video clip for project outreach campaigns;
- Develop outreach campaign and ribbon cutting ceremonies tool-kits;
- Develop grants manual;
- Develop Grants systems;
- Develop financial analysis simulation model; and
- Finish revising and updating modules (BMT, Agronomy, and Veterinary) from CFSP, preparing for the adoption for the current project.

IR 2: INCREASED COMPETITIVENESS OF EGAA AGRICULTURAL INPUT SUPPLIERS PLC

IR 2.1: INCREASED CAPACITY OF EGAA AS A SUSTAINABLY PROFITABLE, COMMERCIAL ENTERPRISE

2.1.1: PROVIDE CAPACITY BUILDING SERVICES

Financial and Human Resource Manuals: the Feed the Future Ethiopia Farm Service Center Project assisted EGAA in developing Financial and Human Resource Manuals in order to objectively and consistently run financial and human resources administration. EGGA management will present these manuals to its board for approval and implementation.

Bi-weekly Management Meetings with EGAA Management Team: the Feed the Future Ethiopia Farm Service Center Project Chief of Party, Deputy Chief of Party and Business Management Advisor conducted a series of bi-weekly check-in meetings with EGAA management and technical team to evaluate EGGA's business operations, stakeholders relationships, identification of additional capacity building needs, and assistance in the development of short-term strategies in creating partnerships for financial resource generation schemes. They also followed-up on EGAA's proper use of the bridge grant funds.

Key results of these efforts include:

- Development of business relationships with USAID's Pastoralists' Areas Resilience Improvement through Market Expansion project (PRIME). In this business relationship, EGGA secured funding in the amount of \$7K to provide technical support and training on Vegetable Production under Irrigation: Emphasis on Onion and Tomato Production to PRIME project beneficiaries in pastoralist regions;
- Assist EGAA in soliciting \$200K from ATA, a three year sustainability grant to implement a portion of ATA's FARA II milestones. The Feed the Future Ethiopia Farm Service Center Project supported EGGA in developing milestones and sub-agreement draft with ATA;
- Build linkages with Oromia Cooperative Bank to access Letter of Credit facilities to enable EGAA to import the first consignment of Ridomil Gold (15,100 kg) from Syngenta, Switzerland worth \$255K. The vessel is expected to arrive in Djibouti port in late July 2015;
- Assist EGAA to secure a license for agrochemicals in order to locally purchase and distribute agrochemicals to FSCs. As a result, EGAA sourced 22,000 Liters of Agro 2-4D from DAWNT PLC, valued at approximately USD 105,000 and distributed the product to the existing FSCs;
- Assist EGGA to partner with CNFA's Agricultural Growth Program - Livestock Market Development (AGP-LMD) project to develop forage seeds market outlets for dairy belt areas of AGP/LMD. This partnership will materialize in the next quarter.

- Assist EGGA in the selection of reliable customs clearing agent to facilitate EGAA's import with minimum or no demurrage, time value, or damage costs.

Increase EGGA's Visibility: The Feed the Future Ethiopia Farm Service Center Project assisted EGGA in increasing its visibility in three avenues. The project has:

- Created linkages with various stakeholders including ILRI, Ethio-Italian Development funded and the Horticulture Development Project- SupHort Project, which will showcase EGG's success and promote its services with stakeholders;
- Supported EGGA to meet with 10 Economic Growth Teams of the USAID Ethiopia Mission. In this meeting, EGAA presented its achievements since its establishment in October 2014 while reflecting challenges it faced. USAID intends to facilitate another meeting between EGAA and USAID's Ethiopia Economic Growth portfolio Contracting Officer Representatives (COR) and Agreement Officer Representatives (AOR). The purpose of this meeting is to create synergies between EGAA and other USAID funded economic growth programs; and
- Supported EGAA in the development of a tri-fold brochure for public dissemination.

2.1.2: PROVIDE BUSINESS DEVELOPMENT SERVICES

Horticulture Farmers Day Participation: On April 29, 2015, the Feed the Future Ethiopia Farm Service Center Project facilitated EGGA's participation in a one day Horticulture Farmers Day Exhibition organized by International Livestock Research Institute (ILRI) in collaboration with the Ministry of Agriculture and SupHort Project. Over 100 horticultural businesses, growers, and professionals attended the exhibition. EGAA participated the exhibition jointly with the Feed the Future Ethiopia Farm Service Center Project COP and Business Management Advisor, as well as Bishoftu and Shashamane FSCs. These two FSCs are operating with the horticulture zones of Ethiopia and stock inventories of horticulture inputs into their business operations. EGAA delivered a presentation to the exhibition audience which showcased products and services marketed Bishoftu and Shashamane FSCs. During the exhibition, the Feed the Future Ethiopia Farm Service Center Project COP served as member of a panel selected to streamline various recommendations suggested by three working groups formed by the organizers to deliberate on: **Increasing production of Vegetable Crops; Farmers Organization: challenges and opportunities/Farmers networks; and Market Linkages.** This opportunity helped magnify the visibility of CNFA and the Feed the Future Ethiopia Farm Service Center Project.

Market Linkages with International Companies: The Feed the Future Ethiopia Farm Service Center Project facilitated EGGA's participation in a two-day (May 12-13, 2015) Asian-African Agrochemical Exhibition organized at Sheraton Addis. EGAA distributed a leaflet depicting its company business profile and networked with dozens of international input suppliers. EGAA's participation in this exhibition results in business partnerships with Sino Agro-chemical Industry, a Chinese Company. On June 10, 2015, EGAA signed a contract with Sino Agro-chemical Industry to register six agrochemicals of the principal in Ethiopia which will lead into an agency agreement between the two (EGAA and Sino) in the future.

List and details of the products is indicated below.

Ser. No	Category	Common Name	Brand Name
1	Insecticide	Profenofos 72%EC	SinoE72%EC
2	Fungicide	Cope hydroxide 77% WP	Sinoko77% WP
3	Fungicide	Mancozeb 80% WP	Etisa80% WP

Ser. No	Category	Common Name	Brand Name
4	Fungicide	Mancozeb 64%+Metalaxy18% WP	Etcure72% WP
5	Herbicide	Clodinafop-propargyl 8%EC	Foyom8%EC
6	Herbicide	Glyphosate 41%SL	Kill-all41%SL

Major Activity Implementation Plan for the Next Quarter

- Support EGAA to procure second round/batch of agro-chemicals;
- Develop Business Development Service Providers consultants pool; and
- Facilitate EGAA's partnerships between Netherlands Development Cooperation (SNV) and AGP-LMD.

IR 3: IMPROVED MONITORING AND EVALUATION AND LEARNING.

IR 3.1 INCREASED UNDERSTANDING OF HOW TO MAKE IMPROVEMENTS TO THE FSC MODEL TO IMPROVE LT IMPACT

3.1.2: DESIGN MONITORING, EVALUATION, AND LEARNING SYSTEMS

Design M&E Tools: In Q2, the Feed the Future Ethiopia Farm Service Center Project developed various Monitoring and Evaluation tools to mainstream M&E with the project. Examples of templates of these tools include: Performance Indicators Tracking Table (PITT), Life of Project (LOP) Targets Summary Sheet, Data Collection Templates, and Work Plan Activities Tracking Summary Sheet. These tools will be used as inputs for the project Performance Management Information System (PMIS) development.

Performance Management Information System: the Feed the Future Ethiopia Farm Service Center Project invests significant amount of time in the procurement of an ICT vendor to establish a web-based and offline Performance Management Information System (PMIS). The PMIS is a query based system to generate data and periodic output reports. The main goal of PMIS is to generate timely and accurate M&E data consistent with USAID data quality requirements. In Q2, Request for Quotation (RFQ) was released and five participating vendors responded to the RFQ. The Project is in the selection stage to kick start the system development in the next quarter. Parallel this effort, the project is in the deployment stage of a Farmer-to-Farmer Volunteer specializing in M&E /Database Development to combine international and local efforts for the development of a high quality M&E system. Additionally, a Farmer-to-Farmer Volunteer M&E Consultant will deploy to ensure that ICT technologies for M&E address all technical M&E needs of the Feed the Future Ethiopia Farm Service Center Project. This Volunteer M&E Consultant will oversee proper alignment of PMIS with paper based M&E systems and validate technical aspects of M&E are captured in the PMIS.

Monthly Individual Goals: the Feed the Future Ethiopia Farm Service Center Project introduced individual monthly goals to ensure implementation of work plan activities is on track. This system facilitates supportive supervision such that supervisors provide guidance to ensure work plan activities are implemented on time and/or identify implementation bottlenecks and provide solutions. Individuals present their monthly goal achievements at staff meetings held on the last Tuesday of every month. Achievements are evaluated against set-goals and lessons learned are shared across program staff to foster collective program implementation learning.

Staff Capacity Building Workshop: On June 18-19, 2015, the Feed the Future Ethiopia Farm Service Center Project conducted a staff capacity building workshop in Wolisso, 115 KM South West of Addis Ababa. The purpose of the workshop was to create a common understanding among the staff about the project's Y1 Work Plan, PMP, and Branding and Marking Plan. In this workshop, project staff deliberated on contents of the three major deliverables and got clarifications on some ambiguities. In addition, the Feed the Future Ethiopia Farm Service Center Project Chief of Party delivered a presentation about the FSC business model and lessons learned from CFSP to familiarize all new project staff about lessons learned from CFSP. EGAA Agricultural PLC Technical and managerial staff also attended this workshop.

Major Activity Implementation Plan for the Next Quarter

- Finalize the project Performance Management Information System;
- Design M&E systems, procedures and protocol;
- Design project reporting guideline;
- Develop data flow map for periodic work plan progress reporting; and
- Finalize selection of output level indicators and targets setting.

4. Cross Cutting Issues

4.2. ENVIRONMENTAL COMPLIANCE

The Feed the Future Ethiopia Farm Service Center Project started updating CFSP's Pesticide Evaluation Report and Safe User of Action Plan (PERSUAP) manual. A key element conducted in the review quarter was a visit to Ministry of Agriculture (MOA), Regulatory Department to identify a list of newly registered pesticides after USAID approved CFSP's PERSUAP in 2013. MOA provided the Feed the Future Ethiopia Farm Service Center Project a list of newly registered agro-chemicals. During this reporting period USAID approved the Feed the Future Ethiopia Farm Service Center Project request for 'Categorical Exclusion' of its activities. Feed the Future Ethiopia Farm Service Center Project has also assisted ATA in developing, editing and submitting to USAID an 'Environmental Review Form' encompassing **THRESHOLD ENVIRONMENTAL DETERMINATIONS** as part of ATA's Implementation Letter (IL). In the next quarter, Feed the Future Ethiopia Farm Service Center Project will update CFSP's PERSUAP to include agrochemicals registered since the approval of CFSP's PERSUAP and develop Monitoring and Mitigation plan for such products.

4.3. PARTNERSHIPS AND COLLABORATION

During this quarter, the Feed the Future Ethiopia Farm Service Center Project continued building relationships and partnership with stakeholders that could potentially play synergistic roles for the implementation of the Project. An example of the Feed the Future Ethiopia Farm Service Center Project establishing relationships is the effort made to link with CNFA's AGP-LMD to leverage expansion of rural based Small and Medium Enterprises (SMEs) through expansion of the FSC subsidiaries proximate to producers. The Feed the Future Ethiopia Farm Service Center Project and AGP-LMD team had a joint discussion on this leverage point in June 2015. In the next quarter, the AGP-LMD team will visit selected FSCs in order to identify SME incubations at the FSCs level.

Major Activity Implementation Plan for Next Quarter

- Gender assessment and development of gender integration plan or model;

- Update CFSP PERSUAP;
- Support ATA in the development of environmental compliance material; and
- Follow-up partnerships with AGP-LMD and initiate partnerships with SNV.

5. Challenges

Delay in FARA II signing between USAID and ATA: the Feed the Future Ethiopia Farm Service Center Project PY1 Work Plan activities implementation has been slow as a result of delayed signing of FARA II between ATA and USAID.

The Feed the Future Ethiopia Farm Service Center Project needed to review its Y1 work plan activities to in order to identify work plan activities that are not aligned with ATA's milestones stipulated in FARA II Implementation Letter (IL) for PY 1 and thus transfer those activities to PY2. The project will consult this action with USAID Ethiopia AOR in the next quarter.

Annex I: Summary Program Financial Report

April-June 2015

Description	Month			Total
	April	May	June	
Staff Cost (Including Fringe)	31,684	46,847	43,364	121,895
Admin Cost	21,155	51,706	6,726	79,587
Indirect Cost	18,757	34,987	17,782	71,526
Total Excluding Grant	71,596	133,540	67,872	273,008
Grant	5,095.31	0	4,969.11	10,064.42
Grand Total	76,691.31	133,540	72,841.11	283,072.42

Current Obligated Amount= USD 550,000

Total Expenditure as of June 30, 2015= USD 463,077

Remaining Obligated Amount as of June 30, 2015= USD 86,923